Appl. No. 10/081,556 Amdt. dated May 9, 2005 Reply to Office Action of February 8, 2005 PATENT

REMARKS

Claims 19-39 remain pending in the application. Applicant respectfully traverses the rejections and presents the claims for reconsideration and allowance in light of the comments provided below.

Discussion of Claim Rejections Under 35 U.S.C. § 103(a)

Claims 19-39 are pending in the application. The Office Action rejects Claims 19-39 as allegedly unpatentable over European Patent Application EP 0911762 A2 to Kikuchi (hereinafter Kikuchi) in view of U.S. Patent No. 6,550,672 to Tracy et al. (hereinafter Tracy). Applicant respectfully traverses the rejection and requests reconsideration and allowance of all pending claims for the reasons provided below.

To establish a *prima facte* case of obviousness, three basic criteria must be met.

First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success.

Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations.

The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, not in applicant's disclosure. *In re* Vaeck, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991). Additionally, the mere fact that a reference can be combined or modified does not render the resultant combination obvious unless the prior art also suggests the desirability of the combination. *In re* Mills, 916 F.2d 680, 16 USPQ2d 1430 (Fed. Cir. 1990).

Applicant contends that the references fail to teach, either alone or in combination, all of the claimed features. Additionally, there is no motivation to combine or otherwise modify the teachings of Kikuchi with Tracy in a manner that would teach the claimed

Appl. No. 10/081,556 Amdt. dated May 9, 2005 Reply to Office Action of February 8, 2005 **PATENT**

invention. Thus, because there is no prima facie case for obviousness, the claims are believed to be allowable over the cited references.

Kikuchi is directed to a system that enables the calculation of service points associated with a customer. See Kikuchi, Col. 1 paragraph [0005]. Tracy is directed to an improved portable shopping system that includes a portable terminal with components representing audio as well as video information to the customer. See Tracy, Abstract. Indeed, Tracy states: "[I]t will be understood by those skilled in the art that the present invention may be utilized in any data collection environment in which data is communicated from a central host to an end user employing a portable data collection terminal." Tracy, Col. 3 ll. 63-67 (emphasis added).

Kikuchi fails to teach or suggest numerous claimed features, including those features that the Examiner admits is missing from the reference. Claim 19 recites a system for implementing a best fare. The system includes a "best fare data base for storing a plurality of price point tables, each price point table of the plurality of price point tables comprising at least one price point having a maximum fare corresponding to a maximum number of days." Claim 19 ll. 5-8. An example of an entry in a price point table is provided in Applicant's specification. "Table 1 illustrates an example in which a price point is a seven day pass set at \$25." Specification at page 11, para. [0028] and Table 1. The price points referred to in Applicant's claims can refer to a fare in a fare schedule. See, for example, Applicant's Specification at paragraph [0013]. The system of Claim 19 also includes "a value load list processor for downloading at least one of the plurality of price point tables to at least one mass transit device." Claim 19 ll. 10-12. In addition, the system of Claim 19 includes a "best fare processor for analyzing a rolling time period comprising a portion of the fare transaction data stored on the smart card." Id. at 11, 22-24.

Kikuchi fails to disclose any best fare data base for storing a plurality of price point tables. There is no discussion of price points. There is only a discussion of a fare based on entrance and exit information. Indeed, Kikuchi fails to even discuss price points having a maximum fare corresponding to a maximum number of days. There is no discussion of associating fares with times, for example, a weekly or monthly fare. Because Kikuchi fails to

<u>PATENT</u>

Appl. No. 10/081,556 Amdt. dated May 9, 2005 Reply to Office Action of February 8, 2005

discuss a plurality of price points, Kikuchi does not describe a "best fare processor for analyzing a rolling time period comprising a portion of the fare transaction data stored on the smart card against the at least one price point of the each price point table of the plurality of price point tables."

The Examiner states that Tracy describes a database with a price look up table. However, the portion cited by the Examiner merely describes a price look-up table for a plurality of selected items. Tracy fails to describe a "best fare data base for storing a plurality of price point tables, each price point table of the plurality of price point tables comprising at least one price point having a maximum fare corresponding to a maximum number of days" as claimed in Claim 19. Tracy is directed to a portable shopping system and contains no discussion of any price point that is in any way related to a maximum fare corresponding to a maximum number of days. Thus, even if the price look-up table could be combined with the system of Kikuchi, there would be no teaching or suggestion of a "price point having a maximum fare corresponding to a maximum number of days."

There is no discussion in Tracy or Kikuchi that would motivate one of ordinary skill in the art to attempt to combine the teachings of one reference in the context of the other. Indeed, there is no discussion in Tracy or Kikuchi to explain why only a specific portion of Tracy should be extracted for use in the system described in Kikuchi or why one would look to a portable shopping system as a source for modifying a system that calculates and awards service points.

Therefore, because neither Kikuchi nor Tracy teach or suggest all of the claimed features and thus, the combination of Kikuchi with Tracy fails to describe every feature of Claim 19. Applicant respectfully requests reconsideration and withdrawal of the rejection to Claim 19 because the cited references fail to describe all of the claimed features and there is no motivation to combine the teachings of Kikuchi with Tracy.

Claim 28 includes downloading at least one price point table to the at least one mass transit device, the at least one price point table having at least one price point comprising a maximum fare and a maximum number of days. Claim 28 also includes comparing a sum of the purchased fare values for a time period to the at least one price point of the at least one price

PATENT

Appl. No. 10/081,556 Amdt. dated May 9, 2005 Reply to Office Action of February 8, 2005

point table, the time period comprising at least a portion of the plurality of fare transactions. Claim 36 include a similar feature where a price point table includes at least one price point comprising a maximum number of days corresponding to a maximum fare. Also, Claim 36 includes a best fare processor for comparing the fare transaction data stored on the smart card to the maximum number of days and the maximum fare of each price point to determine a best fare over a rolling time period. Similarly, Claim 39 includes downloading at least one price point table to the at least one mass transit device, the at least one price point table having at least one price point comprising a maximum fare and a maximum number of days. Thus, Claims 28, 36, and 39 are believed to be allowable for at least the reasons provided above in relation to Claim 19. Applicant respectfully requests reconsideration and allowance of Claims 28, 36, and 39 because Kikuchi in combination with Tracy fails to describe or suggest all of the claimed features.

Discussion of Dependent Claims

Claims 20-27, 29-35, and 37-38 depend, either directly or indirectly, from one of Claims 19, 28, or 36 and are believed to be allowable at least for the reason that they depend from an allowable base claim. Applicant respectfully requests reconsideration and allowance of Claims 20-27, 29-35, and 37-38.

Appl. No. 10/081,556 Amdt. dated May 9, 2005 Reply to Office Action of February 8, 2005 PATENT

CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 858-350-6100.

Respectfully submitted,

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